

The Director

9 June 1948

Assistant General Counsel

1. Your attention is called to the following language in the report of the House Appropriations Committee regarding the budget request of the Atomic Energy Commission. This represents the type of situation which may sometimes be unavoidable, but which one must take every step to avoid. As a result, the AEC has been cut approximately \$50,000,000 by the House Committee.

"The committee is not satisfied with its relations to date with the Atomic Energy Commission. The committee is fully aware of the vital importance, particularly under present world conditions, of the work of the Commission and of the technical aspects connected with it, and is desirous of making every provision for its adequate support. However, the Commission's refusal to furnish the committee with information and appraisals of its various budgeted items, based on technical information which can be available only to the Commission, because of the scientific and secret character of the work involved, leaves much to be desired in establishing the confidence which the committee must have if it is to continue to supply these large grants of funds under conditions of secrecy which prevent full disclosure of the details involved.

"As a matter of fact, there is some feeling among the membership of the committee that the Commission has taken advantage of its strategic position in modern military defense to avoid facing the practical realities on less important and subsidiary elements of their budget. The impression left with the committee is one of general extravagance."

Walter L. Pforzheimer

cc - Executive for A&M
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General Counsel - 3 ✓
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